



SCREEN ACTORS GUILD 2009 COMMERCIALS MEMORANDUM OF AGREEMENT

Memorandum of Agreement made by and between Screen Actors Guild, Inc. (herein called the "Union") and the ANA-AAAA Joint Policy Committee on Broadcast Talent Relations (herein called the "JPC").

1. Term and Effective Date

- a. This contract shall be for a term commencing April 1, 2009 and continuing to and including March 31, 2012 and shall continue in effect thereafter until terminated by either party by 60 days notice in writing to the other. Except as otherwise specifically provided, the terms and provisions hereof shall apply to all commercials produced on or after April 1, 2009.
- b. For services performed in commercials made between April 1, 2009 and June 15, 2009, all retroactive payments must be made not later than June 16, 2009.
- c. The new working conditions shall be effective not later than June 1, 2009.

2. Applicability of Prior Contracts

Except as is otherwise expressly provided herein, the terms and provisions of the 2006 Extension to the 2003 Commercials Contract (2003 Contract as amended by 2006 Extension) shall apply to all commercials produced hereunder. The making of this agreement shall not modify any terms and provisions in any existing contracts of employment which are more favorable to the principal performer than the terms and provisions of this agreement. All Section references used below are references to the 2003 Contract as amended by the 2006 Extension.

3. Most Favored Nations

Add the following as a new Section:

Equal Treatment

- (a) The Union agrees that if, during the term of this Agreement, a Producer not currently signatory to this Agreement shall become a member of the JPC and authorizes the JPC to represent it for purposes of collective bargaining, said Producer shall be entitled to all of the terms and conditions of employment and benefits of this Agreement during its term.
- (b) The Union agrees that if it enters into any collective bargaining agreement with another Producer, or group of Producers, covering employees for any geographic region covered by this Agreement, for the type of work covered by the terms of this Agreement, which grants to said Producer(s) any more favorable terms and/or conditions of employment than those contained in this Agreement, the Union shall promptly notify the JPC of this fact. The JPC shall thereafter have the right to place on the agenda for the next meeting of the Industry Union Standing Committee a

discussion of whether it would be appropriate to extend such terms and/or conditions to the JPC.

- (c) The Union agrees that any and all arbitration decisions rendered under this Agreement, regardless of whether any JPC authorizer is a party to such decision, shall be immediately provided to the JPC upon receipt by the Union. The Union further agrees to provide copies of all prior decisions in its possession rendered on or after January 1, 2000.

4. Waiver as to Certain Non-Professional Persons

Amend Section 8.A as follows:

The Union waives the application of this Contract to actual employees of the advertiser who are regularly employed and who are not professional entertainers who engage in entertainment or motion picture work regularly when they are photographed at their usual place of business in the course of their usual employment. When there are unique circumstances that exist at an advertiser's place of business that make it unusually difficult, disruptive or unsafe to photograph the advertiser's employees in the course of their usual employment during business hours, the application of the contract shall be waived as to photography of such employees at their usual place of business during non-business hours, subject to the other limitations contained in this section.

When there are unique circumstances that exist at an advertiser's place of business that make it unusually difficult, disruptive or unsafe to photograph the advertiser's employees in the course of their usual employment during non-business hours and during business hours, the application of the contract shall be waived as to photography of such employees at locations away from their usual place of business provided those locations are designed to replicate the employees' usual place of business, subject to the other limitations contained in this section.

In either of the two above-underlined scenarios, the employees may be directed, including being directed to speak dialogue, provided that such direction replicates the employees' usual working conditions and that such dialogue replicates dialogue actually spoken by the employees' while conducting their customary work duties.

The application of the Contract is not waived, however, with respect to those persons who render services for the advertiser in the regular course of his/her business, which services by their very nature are services normally rendered under and covered by this Contract; for example, fashion modeling.

The Union also waives the application of this Contract to executive officers of companies when they appear in a commercial for their company, ~~delivering institutional messages as that term is understood in the industry.~~ The term "executive officers" is limited to persons currently holding the title Chief Executive Officer, President, Chairman of the Board or another equivalent title.

5. Policy of Non-Discrimination and Affirmative Action/Diversity

- a. Amend Section 14.A to read as follows:

"The parties hereto reaffirm their commitment to a policy of nondiscrimination and fair employment in connection with the engagement and treatment of principal performers and extra performers ("performers") on the basis of sex, race, color, creed, national origin, age, disability, **gender identity** or sexual orientation in accordance with applicable State and Federal law, nor shall any inquiry be made with respect to a performer's marital status, **gender identity**, sexual orientation, national origin, age, creed or disability."

b. The JPC shall execute the following Sideletter:

"Dear Mr. McGuire,

During negotiations between the JPC, AFTRA and SAG for the 2009 SAG Commercials Contract, 2009 AFTRA Television Recorded Commercials Contract and the 2009 AFTRA Radio Recorded Commercials Contract (hereafter, "the Commercials Contracts"), the JPC confirmed its commitment to the policy reflected in Section 14(D) of the Commercials Contracts requiring the consideration of women, minorities and performers with disabilities for stunt doubling roles and for scripted and unscripted stunts on a functional nondiscriminatory basis. The JPC further agreed that it would be desirable to educate stunt coordinators regarding Section 14(D).

Accordingly, the JPC will meet with the Unions within 90 days following the ratification of the Commercials Contracts to discuss reasonable measure by which the JPC will undertake to educate stunt coordinators regarding the requirements of Section 14(D) and the policy that underpins it. The JPC will, at a minimum, send a bulletin to its members encouraging them to distribute the language of Section 14(D) to stunt coordinators they engage, but will also give serious consideration to other measures that may be suggested during the above-referenced meeting with the Unions.

Sincerely,

Douglas J. Wood"

c. Amend Section 14(D), Paragraph 3 as follows:

Where the stunt performer doubles for a role which is identifiable as female and/or Black, Latin-Hispanic, Asian-Pacific, Native American **or Middle Eastern** and the race and/or sex of the double are also identifiable, Producer shall make every effort to cast qualified persons of the same sex and/or race involved. Producer reaffirms that this Section 14 prohibits the practice commonly referred to as "painting down."

d. The JPC shall execute the following Sideletter:

"Dear Mr. McGuire,

During negotiations between the JPC, AFTRA and SAG for the 2009 SAG Commercials Contract, 2009 AFTRA Television Recorded Commercials Contract and the 2009 AFTRA Radio Recorded Commercials Contract (hereafter, "the Commercials Contracts"), the JPC confirmed its commitment to encouraging diverse, inclusive casting and specifically agreed that it is desirable for Producers, outside casting directors and breakdown services to routinely communicate the JPC and Unions' commitment to diverse, inclusive casting to agents and performers when casting for commercials.

To that end, the JPC will meet with the Unions within 90 days following the ratification of the Commercials Contracts to discuss reasonable measures by which the JPC will encourage Producers, outside casting services and breakdown services to include the following language in casting specifications circulated to agents and performers:

“We are committed to diverse, inclusive casting. For every role, please submit performers without regard to disability, race, age, color, national origin, sexual orientation or gender identity, or any other basis prohibited by law, unless otherwise specifically indicated.”

The JPC will, at a minimum, send a bulletin to its members encouraging them to incorporate this language into their casting specifications, including those drafted by outside casting directors and breakdown services, but will also give serious consideration to other measures that may be suggested during the above-referenced meeting with the Unions. The JPC also recognizes that the Unions are available to recommend language for casting specifications so as to ensure that no improper inquires are made with respect to a performer's marital status, sexual orientation, national origin, age, creed, disability or gender identity and will so advise its members as part of the above-referenced communications.

The JPC understands that the above-referenced communications are intended to encourage the implementation of policies expressed in Section 14 of the SAG Commercials Contract and the AFTRA Television Recorded Commercials Contract and Section 54 of the AFTRA Radio Recorded Commercials contract throughout the industry. For their part, the Unions recognized during the negotiations that Producers may have legitimate casting objectives which may limit the appropriateness of certain submissions (e.g., A Producer who is seeking to fill an on-camera role for a female in the age range of 18-30 can include such description in the casting specifications and shall not be required to audition a 60-75 year-old male for the part.).

Sincerely,

Douglas J. Wood”

e. The JPC shall execute the following Sideletter:

“Dear Mr. McGuire,

During negotiations between the JPC, AFTRA and SAG for the 2009 SAG Commercials Contract, 2009 AFTRA Television Recorded Commercials Contract and the 2009 AFTRA Radio Recorded Commercials Contract (hereafter, “the Commercials Contracts”), the JPC agreed with the Unions about the desirability of establishing on-going, biennial showcases for performers with disabilities. The purpose of these showcases will be to increase employment opportunities for all types of roles for performers with disabilities by educating executives directly responsible for hiring regarding the skills and talents possessed by the disabled performer community, as well as regarding the employment issues and opportunities surrounding the hiring of performers with disabilities.

The showcases will include an “audition” component where performers with disabilities will have the opportunity to demonstrate their skills and talents for the benefit of the executives present. They will also include an “educational” component that will address barriers for inclusion of performers with disabilities in the industry, explore solutions through workplace

accommodations, assistive technology, and attitudinal shifts, and address legal concerns and changes in the law.

The JPC agrees to meet with representatives of SAG and AFTRA beginning within 90 days after ratification of the Commercials Contracts to discuss the establishment of these showcases and will further undertake the following obligations in furtherance of that objective:

(1) Encourage its members to send senior-level executives whose responsibilities include making recommendations for and/or approving the hiring of performers in commercials to the initial meeting(s) to discuss the establishment of these showcases as well as encouraging their attendance and participation in the showcases;

(2) Recommend, along with the Unions, approval of funding for the showcases to the Trustees of the AICF and IACF, respectively.

These showcases shall be conducted jointly between the JPC, SAG and AFTRA. Further details regarding the implementation of the showcases, such as the exact format and when and where they will be held, shall be subject to the above-referenced discussions between the parties.

Sincerely,

Douglas J. Wood"

f. Amend Section 14.G to read as follows:

"Producer shall not use any documented information ~~contained on~~ obtained in connection with the INS Form I-9, or its successor, to discriminate against any performer on the basis of sex, race, age, national origin, or disability in violation of the Contract or law.

To that end, information on the INS Form I-9 ~~information~~ or its successor which is protected by equal employment laws or by this Contract shall be maintained in confidence."

6. Public Service Announcement/Government Agency Messages

a. Amend Section 18, Paragraph 4 as follows:

"In seeking a waiver under this Section, Producer shall obtain the consent of the Union before seeking the consent of the principal performer. Provided that a principal performer consents in writing to the waiver of additional compensation beyond the minimum fees due under Section 20, Minimum Compensation, the Union will grant the right to unlimited national use, including all media covered by this agreement, of the message for one year beginning not later than 15 working days after the first delivery of the public service announcement to television stations or 13 weeks after commencement of the maximum use period, whichever first occurs."

b. Ad-Council Waiver

The Union shall grant a 3 -year experimental waiver allowing AD Council PSA's to contain solicitations for donations. Other non-profit organizations who are not members of the AD Council may apply for similar waivers. This provision shall be coterminous with the expiration of the 2009 Commercials Contract.

c. PSA Template

The Unions agree to institute a standard PSA waiver template letter (See *Exhibit B*), which shall not restrict any of the rights granted to Producer hereunder.

7. Compensation Rates and Allowances

Amend Section 20 as follows:

Unless otherwise specified in this agreement, increase all compensation rates, adjustments, allowances and expense reimbursements for Principal Performers and Extra Performers by 4.43%.

8. Cable

a. Holding Fees/Exclusivity for Commercials Produced for Cable Transmission Only

Exclusivity and holding fees are now applicable to Made-for-Cable-Only commercials, but are not applicable to commercials made for local cable systems only. Holding fees are not creditable against cable use payments. Amend Section 35.B by eliminating Paragraph 4. Exclusivity, and re-numbering remaining Paragraphs. Delete Section 31.D.11.

b. Session Fee Crediting

Session fees may now be credited against use payments for Made-for Cable-Only commercials. Amend Section 35.B.3. accordingly.

c. Cable Use Payment Structure

Amend Section 35.C to reflect a 6.56% increase in units 1 – 200. (See *Exhibit C*). No increase in units above 200.

9. Internet

Amend Section 36(A) as follows:

A. Internet Use of Commercials Made for Initial Use on ~~Broadcast~~ either Television or New Media

1. Producer shall have the right to use a commercial made initially for ~~broadcast~~ Television or New Media on the Internet unless, at the time of engagement, the performer withholds consent by checking the box provided for this purpose on the front of the contract.

2. In addition to the rights and obligations set forth in Section 36 A and Section 26 (Editing), if the Producer wishes to obtain extended or unlimited editing rights for Internet use, then the Producer shall bargain freely with performer and shall pay performer compensation in such amount as shall be agreed by direct bargaining with the performer or the performer's agent.

Neither SAG nor the Producers will promulgate minimum rates for extended or unlimited editing rights for the Internet.

(Existing 2006 MOA Language)

3. ~~Terms~~ Cycles of Internet Use

~~(a) Initial Term~~

Provided the right to ~~broadcast~~ Television and/or New Media use of the commercial has not terminated, Producer may initiate Internet use of the commercial for an initial ~~term~~ cycle of **either an eight week cycle of use or a one year cycle of use** or until termination of the maximum period of ~~broadcast~~ use if earlier.

~~(b) Extension Term~~

Upon conclusion of the **either the eight week cycle of use or** the one year ~~term~~ cycle of initial Internet use, Producer may use the commercial for ~~the remainder~~ **additional consecutive eight week cycles or a one year cycle of use** for the remainder, if any, of the Maximum Period of Use for the same rates set forth in Section 36.A.4. Producer shall have the right to Internet use during these additional ~~terms~~ cycles whether or not ~~broadcast~~ holding fees have been paid **for Television or New Media use.** ~~Internet use during the Extension Term need not be contiguous to the Initial Term.~~

~~(c) Renewal Term~~

If the Maximum Period of Use has terminated or has not been renewed, Producer shall have no further right to Internet use unless each performer in the commercial consents to such use after separate bargaining for compensation at rates no less than those provided below."

EXAMPLES:

- (1) Producer pays a performer for one year of Internet use ~~(Initial Term)~~ during the 5th fixed cycle of a Maximum Period of Use (MPU), while a holding fee is still being paid. However, the holding fee for the 6th fixed cycle is not paid. The Producer's right to continue ~~broadcast~~ **television** use expires but the Internet use may nevertheless continue until the end of the MPU. If the Producer wishes to extend Internet use beyond the end of the MPU, the Producer must obtain the written consent of the performer and must bargain for payment at no less than the rates provided below.
- (2) Producer maintains holding fee payments throughout the MPU and pays for ~~the Initial Term of~~ Internet use. Prior to the end of the MPU, the performer exercises the right to negotiate for new terms for a subsequent MPU in accordance with Section 30.D. In this case, renewal of Internet rights is subject to individual bargaining between the performer (or the performer's agent) and the Producer.
- (3) Producer maintains holding fee payments throughout the MPU and pays for ~~the Initial Term of~~ Internet use. Performer fails to exercise rights under Section 30.D. Producer has the automatic right to a new MPU, at the same rates as the prior MPU, **including the right to new Initial and Extension Terms for Internet use,** with a renewal of all rights existent in the prior MPU.

4. Compensation

~~(a) Initial Term~~

~~(a) Extension Term~~

- A. Eight Week Cycle of Use - not less than 133% of the applicable session fee.
- B. One Year Cycle of Use – not less than 350% of the applicable session fee.

Amend Section 36 (B) as follows:

B. Commercials Made for Initial Use on the Internet

1. (New) All provisions of Section 36(B) of the 2003 Contract as amended by 2006 Extension shall continue to apply to any commercials produced for initial use on the Internet that are produced prior to April 1, 2011. Effective on April 1, 2011, except as modified below, the terms and conditions set forth in this Contract shall apply to principal and extra performers in commercials made for the Internet. Extras shall be compensated for session at the unlimited use rate. Use fees shall be paid in accordance with Section 36 A.

2. In order to provide for fair negotiation for the use of commercials produced under this section, Producer shall make every effort to fully inform performers, at the time of audition and hire of the anticipated number of commercials, and the anticipated use, e.g. websites, etc.

The performer's Standard Employment Contract shall note the number of commercials produced.

In addition to the rights and obligations set forth in Section 36 B and Section 26 (Editing), if the Producer wishes to obtain extended or unlimited editing rights for Internet use, then the Producer shall bargain freely with performer and shall pay performer compensation in such amount as shall be agreed by direct bargaining with the performer or the performer's agent.

Neither SAG nor the Producers will promulgate minimum rates for the extended or unlimited editing rights for the Internet.

(Existing 2006 MOA Language)

3. (Renumbered) In the event Producer desires to obtain exclusivity from a performer, the Producer shall obtain the consent of that performer and shall pay that performer holding fees plus compensation in an amount not less than the rates set forth above in Section 36(A)4.B.

~~2. Except as provided in paragraph 4 below, Producer may bargain freely with performer and shall pay performer compensation in such amount as shall be agreed by direct bargaining with the performer or the performer's agent. Neither the Unions nor the Producers will promulgate minimum rates. The provisions of Schedule A – Working Conditions shall apply to all commercials produced under this subsection B, except a that allowance and liquidated damages shall be agreed by direct bargaining with the performer or the performer's agent.~~

~~3. Not later than 12 working days after the Producer employs the performer for an Internet commercial, the Producer shall file with the Union a copy of the employment agreement.~~

~~4. The Producer shall make contributions to the Pension & Health Plans on all compensation paid to performers in accordance with the provisions of Sections 46 of the Contract as hereby amended.~~

4. (Renumbered) The Producer shall make no use of an Internet commercial on ~~broadcast~~ **Television** or in any other medium unless the Producer bargains for the right to such other use at no less than the rates provided in the collective bargaining agreement applicable to such other use. In the event of ~~broadcast~~ **Television or New Media** use of an Internet commercial, Producer shall also pay each performer, for Internet use, not less than the difference, if any, between the amount previously paid for Internet use and the amount which would have been payable for use of a ~~broadcast~~ **Television** commercial on the Internet as provided in Section 36(A)4.B.

~~(a) Producer shall also pay each extra performer not less than the difference, if any, between the applicable minimum compensation rate provided in Schedule D, Section 6 A and the freely bargained rate initially paid to the extra performer.~~

10. **New Media**

Add Section 37.A. (New), as follows:

This section applies to all commercials made for or designed for exhibition on New Media, defined as digital, electronic, or any other type of delivery platform including, but not limited to, commercials delivered ~~via podcasts, delivery~~ to mobile phones, and other digital and electronic media. The term new media is intended to be all inclusive of digital, electronic, or any other type of delivery platform, whether now known or unknown. The term New Media does not apply to commercials on Television or the Internet.

A. New Media Use of Commercials Made for Initial Use on Television or Internet.

1. Producer shall have the right to use a commercial made initially for Television or the Internet on New Media unless, at the time of engagement, the performer withholds consent by checking the box provided for this purpose on the front of the contract.

2. In addition to the rights and obligations set forth in Section 37 A and Section 26 (Editing), if the Producer wishes to obtain extended or unlimited editing rights for New Media use, then the Producer shall bargain freely with performer and shall pay performer compensation in such amount as shall be agreed by direct bargaining with the performer or the performer's agent.

Neither SAG nor the Producers will promulgate minimum rates for extended or unlimited editing rights for New Media.

~~The terms and conditions of Section 36 A (Internet Use of Commercials Made for Initial Use on Broadcast Television and Section 26 (Editing) of the SAG Commercials Contract shall apply to the New Media use of commercials made for initial use on either broadcast television, cable or the Internet.~~

(Existing 2006 MOA Language)

3. Cycles of New Media Use

Provided the right to Television and/or Internet use of the commercial has not terminated, Producer may initiate New Media use of the commercial for an initial cycle of either an eight week cycle of use or a one year cycle of use or until termination of the maximum period of use if earlier.

Upon conclusion of either the eight week cycle of use or the one year cycle of initial New Media use, Producer may use the commercial for additional consecutive eight week cycles or a one year cycle of use for the remainder, if any, of the Maximum Period of Use for the same rates set forth in Section 37.A.4. Producer shall have the right to New Media use during these additional cycles whether or not holding fees have been paid for television use.

If the Maximum Period of Use has terminated or has not been renewed, Producer shall have no further right to New Media use unless each performer in the commercial consents to such use after separate bargaining for compensation at rates no less than those provided below.

EXAMPLES

- (1) Producer pays a performer for one year of New Media use during the 5th fixed cycle of a Maximum Period of Use (MPU), while a holding fee is still being paid. However, the holding fee for the 6th fixed cycle is not paid. The Producer's right to continue television use expires but the New Media use may nevertheless continue until the end of the MPU. If the Producer wishes to extend New Media use beyond the end of the MPU, the Producer must obtain the written consent of the performer and must bargain for payment at no less than the rates provided below.
- (2) Producer maintains holding fee payments throughout the MPU and pays for New Media use. Prior to the end of the MPU, the performer exercises the right to negotiate for new terms for a subsequent MPU in accordance with Section 30.D. In this case, renewal of New Media rights is subject to individual bargaining between the performer (or the performer's agent) and the Producer.
- (3) Producer maintains holding fee payments throughout the MPU and pays for New Media use in the 6th fixed cycle. Performer fails to exercise rights under Section 30.D. Producer has the automatic right to a new MPU, at the same rates as the prior MPU, with a renewal of all rights existent in the prior MPU.

4. Compensation

- A. Eight Week Cycle of Use - not less than 133% of the applicable session fee.
- B. One Year Cycle of Use – not less than 350% of the applicable session fee.

Amend Section 37.B. as follows:

B. Commercials Made for Initial Use on New Media

1. (New) All provisions of the 2006 Extension Agreement shall continue to apply to any commercials produced for initial use in New Media that are produced prior to April 1, 2011. Effective on April 1, 2011, except as modified below, the terms and conditions set forth in this Contract shall apply to principal and extra performers in commercials made for New Media. Extras shall be compensated for session at the unlimited use rate. Use fees shall be paid in accordance with Section 37 A.
2. In order to provide for fair negotiation for the use of commercials produced under this section, Producer shall make every effort to fully inform performers, at the time of audition and hire of the anticipated number of commercials, and the anticipated platforms for such use, e.g. mobisodes, cell phones, etc.

The performer's Standard Employment Contract shall note the number of commercials produced.

In addition to the rights and obligations set forth in Section 37 B and Section 26 (Editing), if the Producer wishes to obtain extended or unlimited editing rights for New Media use, then the Producer shall bargain freely with performer and shall pay performer compensation in such amount as shall be agreed by direct bargaining with the performer or the performer's agent.

Neither SAG nor the Producers will promulgate minimum rates for the extended or unlimited editing rights for the Internet.

(Existing 2006 MOA Language)

3. (Renumbered) In the event Producer desires to obtain exclusivity from a performer, the Producer shall obtain the consent of that performer and shall pay that performer holding fees plus compensation in an amount not less than the rate set forth in Section 37 A.4.B. The Producer shall make no use of a New Media commercial on television or in any other medium unless the Producer bargains for the right to such other use at no less than the rates provided in the collective bargaining agreement applicable to such other use. In the event of television use of a New Media commercial, Producer shall also pay each performer, for New Media use, not less than the difference, if any, between the amount previously paid for New Media use and the amount which would have been payable for use of a television commercial on New Media as provided in Section 37(A)4.B.

11. Foreign Use

Amend Section 41.D as follows:

In the event a commercial is made solely for foreign use and is so used, ~~only one on or off camera session fee as is appropriate may be credited against use.~~ **the session fee may not be credited against such use.**

12. Adjusting Undisputed Overpayments

Amend Section 43.J as follows to add a new paragraph at the beginning of subsection J and re-number the existing subsections accordingly:

In all cases of overpayment, the performer must be notified in writing, prior to recoupment, of the overpayment amount, dates, commercial title(s), advertiser and agency involved, and reason for recoupment.

13. Contributions to Pension and Health Plans

a. Amend Section 46.A as follows:

Producer and advertising agencies signatory to Letters of Adherence, shall become parties to the "Screen Actors Guild-Producers Pension Plan for Motion Picture Actors" and "Screen Actors Guild-Producers Health Plan for Motion Picture Actors" and to the "Industry Advancement and Cooperative Fund" ("IACF"). Producers shall contribute an amount equal to ~~14.80%~~ **15.5%** of all gross compensation paid to principal performers as herein defined with respect to television commercials produced on and after ~~October 30, 2003~~ **April 1, 2009**.

Such contribution shall be allocated as follows: ~~0.3%~~ **.5 %** to the IACF and ~~14.8%~~ **15%** to the Pension and Health Plans. Of such ~~14.8%~~ **15%**, ~~5.25%~~ **5.75%** will be allocated to the Pension Plan and 9.25% to the Health Plan. The allocation of the ~~14.8%~~ **15%** between the Health Plan and the Pension Plan may be changed at any time during the term hereof by the Boards of Trustees of said Plans based on actuarial studies. **Effective January 1, 2012, no Producer shall be obligated to make Pension & Health contributions on behalf of any individual performer on gross compensation in excess of \$1,000,000 for covered services in a contract year where all such compensation has been paid on the basis of a single contract with a single Producer.**

b. Replace Section 46 E 1 – 2 with the following:

“E.

1. There will be a separate provision in principal performer's agreement or loan-out agreement allocating that portion of the performer's compensation between acting services covered by this Contract (“covered services”) and all other services (“non-covered services”). Such allocations must be stated in the agreement as either a flat amount or a percentage of the total compensation. With respect to such allocations, the Guidelines for Allocations in Overscale Agreements, attached hereto as Exhibit I, have been agreed upon between SAG and Producer to provide non-binding guidance in determining such allocations (the “Allocation Guidelines”). Producer shall designate multi-service contract status on the contribution remittance reports filed with the Plans when contributions are tendered in connection with services related to a multiple-service agreement. Producer agrees to provide unredacted copies of all contracts relating to services provided under such multiple-service agreements to SAG and to the Plans at the time of submission of initial contribution reports to the Plans or, should Producer fail to do so, Producer agrees to provide such unredacted copies upon SAG's or the Plans' written request. If justified by unusual circumstances, Producer may request that SAG's or the Plans' representatives inspect the agreements at a mutually-agreed location in Los Angeles or New York. SAG will be entitled to demand unredacted copies of agreements inspected if needed solely for the purpose of arbitrating a dispute hereunder. As a condition of providing any copies of contracts, the Producer may require that either or both SAG and the Plans execute a confidentiality agreement substantially in the form attached hereto as Exhibit A.

2. Where non-covered services are involved and there is a dispute between SAG and the Producer over the portion of the compensation allocated to covered services, the parties will use their reasonable efforts to negotiate a mutually agreeable allocation and failing to come to an agreement, the dispute will be resolved pursuant to the arbitration provisions contained in paragraph 57.C. hereof. In any such arbitration, the principal performer's “customary salary” for acting services and the Allocation Guidelines shall be given substantial consideration in resolving such dispute. The arbitrator shall also consider the weighting of services between covered and non-covered services, and may also consider any other evidence submitted by the parties that the arbitrator deems to be probative.”

c. The parties shall modify Exhibit B of the contract to include a space to designate multi service contract status.

d. Add the following as Exhibit I to the Contract:

Introduction

These Guidelines have been developed by the Screen Actors Guild ("SAG") and the ANA-AAAA Joint Policy Committee on Broadcast Talent Relations ("JPC") to assist Producers and Performers in determining appropriate allocations between covered and non-covered services as required pursuant to paragraph 46.E.1. of the Commercials Contract.

These Guidelines provide an important indication to producers regarding those situations in which contributions to the Plans may be considered by SAG to be inadequate. In those situations, producers will therefore have an opportunity to bring to SAG's attention circumstances that a Producer believes warrants different contribution levels. In making the allocation, if a Producer believes that the application of these Guidelines is inappropriate in a particular situation, or has questions about the application or appropriateness of the Guidelines in a particular situation, the Producer may bring those concerns to SAG's and the JPC's attention. In particular in the case of music tour contracts, or race car driver endorsement contracts meriting special consideration, Producers may wish to contact SAG and the JPC.

Provided a Producer allocates in accordance with the following Guidelines, such allocation shall be rebuttably presumed to be proper in any proceeding brought to challenge such allocation under paragraphs 46.E.2. and 57 of this agreement. These Guidelines are also subject to the provisions of paragraph 46.E.3. of the Commercials Contract.

GUIDELINES

Commercial services include the right to produce and use commercials and to hold the performer to exclusivity, whether or not that right is exercised.

- A. 100% of contract amount is reportable where compensation paid is solely for covered services.
- B. A 50% allocation for a multi-service contract where SAG commercial services are involved with non-covered services. This allocation also applies where no SAG commercials are produced or used in a given period but the Producer has a right to do so and to hold the performer to exclusivity. Notwithstanding the foregoing, in the event the performer's principal source of income in the entertainment industry is derived from modeling services, the allocation may be 40% for such contracts.
- C. In lieu of any other allocations provided herein, 20% allocation for a multi-service contract of currently active or inactive athletes who endorse a product/brand with which they are strongly associated and who generally wear the corporate logo/image on their clothes or equipment or who have product lines or other collateral merchandise associated with their endorsement. This allocation does not apply to athletes advertising products that are unrelated to their sport. Guideline B would be applicable in those cases.
- D. In lieu of any other allocations provided herein, 40% allocation for commercials used exclusively outside the United States.
- E. In lieu of any other allocations provided herein, 40% allocation for a performer in commercials for products or product lines which the performer has had an active role in

developing and features the performer's name or image in the product, product line, or collateral merchandise.

- F. In lieu of any allocations provided herein, where compensation is comprised, in part, of royalties or stock, 40% of any upfront non-refundable guarantee to performers appearing in commercials for products or product lines, where performers have a financial interest in the sale of products or product lines, and other non-covered services are involved.
- G. Where contracts under paragraph A hereof include services covered by both the SAG ~~and AFTRA~~ Television Commercials Contracts and the AFTRA Radio Commercials Contract, allocations for covered services may be split 80% to services covered by the SAG ~~and AFTRA~~ Television Commercials Contracts and 20% to services covered by the AFTRA Radio Commercials Contract. Where contracts include non-covered services and services covered by both the SAG ~~and AFTRA~~ Television Commercials Contracts and the AFTRA Radio Commercials Contract, allocations for covered services may be split 90% to services covered by the SAG ~~and AFTRA~~ Television Commercials Contracts and 10% to services covered by the AFTRA Radio Commercials Contract. This provision is not intended to reduce the allocation to covered services to less than 50% as specified in Guideline B (e.g. a contract with covered services in both television and radio would result in a guideline allocation of 45% to television services and 5% to radio services for a total 50% allocation).

e. **Amend Section 55 as follows:**

TRANSFER OF RIGHTS — ASSUMPTION AGREEMENT

A. Upon the sale, transfer, assignment or other disposition by Producer of any commercials produced by it hereunder, the Producer shall not be responsible to the Union or to any Union members for any payments thereafter due with respect to the use of such commercials or for a breach or violation of this Contract by such transferee, if the Union approves the financial responsibility of such transferee in writing and if the Producer in its agreement with such transferee has included a provision substantially in the following form:

[FORM REMAINS UNCHANGED]

B. Prior to the commencement of photography of any commercial involving a performer providing both covered and non-covered services to an advertiser, the Producer shall obtain from the advertiser, if the parties are separate entities and the advertiser is not itself a signatory to this agreement, and deliver to SAG, a separate written assumption agreement substantially in the following form:

[FORM DUPLICATED FROM SECTION A UNCHANGED, EXCEPT SECOND & THIRD PARAGRAPH]

MODIFIED AS FOLLOWS:

Transferee hereby agrees with Transferor that all television commercials covered by this agreement (listed below*) are subject to the Screen Actors Guild Commercials Contract under which the commercials were produced **and that the parties contemplate a transfer of exclusive rights in the covered commercials from the Transferor to the Transferee.**

Transferee hereby agrees expressly for the benefit of Screen Actors Guild and its **performers** affected thereby to make all payments ~~of holding fees and use fees,~~ **including but not limited to holding fees and use fees,** as provided in said Contract and all social security, withholding, unemployment insurance and disability insurance payments and all appropriate contributions to the Screen Actors Guild-Producers Pension and Health Plans required under the provisions of said Contract with respect to any and all such payments and to comply with the provisions of said Contract, including specifically the arbitration provisions and procedures contained therein, with respect to the use of such television commercials and required records and reports. It is expressly understood and agreed that the rights of Transferee to telecast such television commercials shall be subject to and conditioned upon the prompt payment to the performers involved of all compensation as provided in said Contract and the Guild, on behalf of the performers involved, shall be entitled to injunctive relief in the event such payments are not made.

*****Failure to obtain the required written assumption agreement is considered a substantial breach of this agreement.**

f. **[See Section 17 below for related changes to Section 57 A.]**

g. **Clarification:** The JPC and the Unions agree that Pension and Health contributions continue to be payable on behalf of deceased performers.

14. Monitoring

a. Additional Reporting

The JPC shall meet with the Unions within 90 days of ratification to discuss feasible methods of providing additional information regarding usage. To the extent that it is feasible for Producers to report additional information that is necessary and relevant to payments owed under this Agreement, it shall be required of Producers.

b. Monitoring Study

The JPC and the Unions agree to jointly engage a consultant for the purpose of designing solutions for an automated monitoring system (both traditional and digital media). Such a consultant would use the results of previous monitoring studies (including the Nielsen pilot project conducted during the course of the extension agreement), and collaborate with union and JPC representatives to devise specific recommendations on how to structure a system that meets the needs of both parties. The industry agrees to grant the consultant access to their current monitoring practices and to make their experts available for the study subject to such reasonable measures as may be necessary to safeguard confidential and proprietary information. The JPC and the unions recommend that this initiative be financed by IACF and AICF grants.

To the extent that this Monitoring Study and the GRP Pilot Study are conducted by different consulting companies, or different teams within the same consulting company, the parties agree that the consultants shall all be required to cooperate and collaborate with one another to maximize the efficiency with which each consulting company or team accomplishes its work and to minimize the overall cost and burden to the parties. Specifically, the consulting companies or teams shall be required to share data and work product, identify common tasks

and eliminate redundant efforts, coordinate schedules, and take such other reasonable measures as may facilitate the efficient completion of both studies.

c. Ad-ID.

Both the JPC and the Unions agree to encourage the use of Ad-ID throughout the industry.

15. Arbitration

a. Replace the inoperative language of Section 57.A. with the existing operative language of Sideletter No. 2 and delete the Sideletter.

b. Add a New subparagraph H., as follows:

H. Special Procedures for Allocation Disputes: Prior to filing any arbitration pursuant to paragraph 46.E.2. hereof, a request to meet and confer must first be made to facilitate conciliation of the dispute. Such meet and confer must commence and conclude within a reasonable period of time after the request. A demand for arbitration may be filed upon the completion of the meet and confer or after thirty calendar days following the request to meet and confer, whichever first occurs. In the event of an arbitration filed pursuant to paragraph 46.E.2. hereof, SAG and the Producers waive their rights to a hearing and agree to submit the grievance to the arbitrator on written submissions. Each party shall file its initial written submission within 10 days following designation of the arbitrator, each party providing a copy of its initial written submission to the other party within 3 days following submission to the arbitrator. Such submission will include the amount of the allocation to covered services the submitting party believes to be appropriate and such other facts and evidence that support the position of the submitting party. Each party shall thereafter have the right but not the obligation, to file a reply to the other party's initial written submission within 5 days of its receipt of the other party's initial written submission. Upon the request of either party, the arbitrator may extend the time limitations of this paragraph at his or her discretion. Unless further written materials are requested by the arbitrator, no further submissions shall be permitted. In any arbitration under this paragraph C involving a Producer who is an authorizer to the ANA-AAAA Joint Policy Committee ("JPC"), the JPC shall be entitled to receive copies of documents, notices, and awards rendered in such proceedings, subject to the same confidentiality restrictions as agreed by the parties to the proceeding or ordered by the arbitrator. Such documents, notices and awards will be provided to the JPC legal counsel by the union within thirty (30) days following an award. The submissions and awards relating to such proceedings shall not be published or otherwise made available beyond (a) the JPC's legal counsel and (b) the union. Unless an authorizer that is a party to an arbitration hereunder objects, such submissions and awards relating to such proceedings may also be made available to (a) any JPC authorizer that subsequently becomes a party to an arbitration hereunder or receives a notice to meet and confer hereunder, or (b) any JPC authorizer that represents an advertiser that is not an authorizer that subsequently becomes a party to an arbitration hereunder or receives a notice to meet and confer hereunder. Except as otherwise provided by this paragraph C, such arbitration will be conducted in accordance with the provisions of this §57 and, to the extent not inconsistent, the Labor Arbitration Rules of the American Arbitration Association. With the exception of cases involving fraud or undisclosed

conflict of interest, no proceeding to vacate an arbitration award issued pursuant to this paragraph C shall be permitted. This paragraph C shall sunset at the end of the term of this contract and shall be deemed not to be a part of this agreement for purposes of future contract negotiations unless otherwise mutually agreed by the parties.

Any decision of an arbitrator hereunder shall be final and binding upon all parties to the proceeding and judgment upon such award may be entered by any party in the highest court of the forum, State or Federal, having jurisdiction.

16. Casting and Auditions

Add a new subparagraph (e) to Schedule A, Section I.I. and re-letter the existing sections accordingly:

The payments set forth in subparagraphs (c) and (d) above shall not apply if Producer calls a performer back for a third or fourth audition, provided that: (1) the Producer limits the audition to three performers or fewer per role, (2) none of the performers brought back to audition for a role are on their first audition, and (3) the third and fourth auditions are limited to two (2) hours. For auditions beyond the fourth audition, subparagraph (d) shall apply without modification.

17. Dancers/Choreographers

Amend Schedule A.I.FF.3 as follows:

"If a dancer has had earnings in five (5) prior years in SAG, and is employed to work on a commercial as a choreographer, but not as a dancer or in any other category covered by the contract, the Producer shall contribute to the SAG P&H Plan on the choreographer's behalf on the basis of the minimum session fee for principal performers set forth in Section 20.A of this Agreement."

18. Preference of Employment

a. Preference Zones

Add New Orleans to Schedule B.II.C. as a preference zone (100 miles from center of city).

b. Owners of Specialized Vehicles

Add a new subsection (7) to Schedule B.II.D. as follows:

7. Owners/drivers of specialized vehicles not readily available in the general market (e.g. '55 Chevrolet). Vehicle driver must meet safety guidelines as set by stunt coordinator.

19. Spanish Language – Schedule C

a. Industry-Union Collaboration Regarding Spanish Language Commercials

The JPC will use best efforts to facilitate dialogue among the Unions, the Spanish-language performer community, the Association of Hispanic Advertising Agencies, JPC authorizer advertisers and agencies who are active in Spanish-language

marketing, and such additional third parties (e.g., marketing firms, payroll houses, production companies) as the parties may mutually agree upon, with the objective of finding ways to expand the production of Spanish-language commercials under the Unions' contracts. Specifically, the JPC and the Unions shall coordinate meetings at least annually at which the above-referenced participants shall endeavor to establish reasonable and specific action items designed to promote union-covered Spanish-language commercial production. Where the JPC and the Unions mutually agree on the desirability and reasonableness of such action items, they shall use best efforts to cooperate in the achievement of those action items.

b. Increase the unit weights in Section 2.B.1 as follows:

<u>Market</u>	<u>From</u>	<u>To</u>
Atlanta	1	2
Dallas/Fort Worth	7	8
Las Vegas	1	2
Orlando	1	2
Phoenix	5	6
San Diego/Tijuana	10	11
San Francisco	7	8
Tampa	1	2

c. Amend Schedule C, Section 3 as follows:

1. For use in South American and/or Central America and/or Mexico (outside of the border states: ~~3~~ **4** session fees;
2. For use in the Caribbean and/or Puerto Rico: ~~2~~ **3** session fees;
3. For use in any country covered by subsection A and any country covered by subsection B: ~~3~~ **4** session fees.

20. Extra Performers – Schedule D

a. Amend Schedule D. Section II.1.E as follows:

Add New Orleans as an Extra Zone (100 miles from center of city).

i. Amend Schedule D. Section II.2.B as follows:

Crowd work may be performed by persons who do not possess the required skill, training and experience of registered extra performers, under the conditions and restrictions hereinafter provided. Wherever the Producer employs ~~40~~ **45** or more registered extra performers for work in a particular commercial on a particular day, the Producer may employ any number of nonregistered persons to perform crowd work. For purposes of this paragraph, extra performers who work as stand-ins or photographic doubles shall not be counted in determining whether ~~40~~ **45** registered extra performers have been employed on a particular day.

c. Amend Schedule D. Section II.2.C as follows:

Conform subparagraph F (Advertiser's Regular Employees) in accordance with the changes set forth in Section 4 (Waiver as to Certain Non-Professional Persons) above.

d. Amend Schedule D. Section III.3.E (b) as follows:

At the time of hiring, an extra performer shall be informed of the type of work involved; **the number of commercials being shot, if known;** whether it is an interior or exterior; if it is to be on location; wardrobe requirements and the estimated total number of days of the call when known.

e. Amend Schedule D. Section IV.17.P to add new subsection (d):

A flat fee of \$8.00 per day will be paid to extra performers travelling to non-studio work locations within the studio zone, without regard to means of transportation.

f. Amend Schedule D. Section IV.17.I.4 to add the following items:

<u>Portable Computer (or similar device)</u>	<u>\$5.75</u>
<u>Portable Digital Music Player (or similar device)</u>	<u>\$5.75</u>
<u>Handheld Mobile Device (or similar device)</u>	<u>\$5.75</u>

e. Amend Schedule D. Section

21. Gross Rating Point Compensation Model Pilot Study

The Unions and the JPC agree to jointly retain a consultant (the "Consultant") to conduct a pilot study (the "Pilot") of the Gross Rating Point Model ("the GRP Model") as proposed by Booz & Company ("Booz") in its final report to the Unions and JPC dated December 19, 2007 (the "Booz Study"), as follows.

- a. Agreement in Principle.** The Unions and the JPC agree that the GRP Model represents a methodology that, with respect to network television, national cable, and syndication, may address the concerns that both parties agreed were the criteria for undertaking the Booz Study. Both the Unions and the JPC agree, however, that determining whether the GRP model will successfully address these concerns and is viable as an operating methodology requires the conduct of a national Pilot (as more fully described in paragraph 2). Provided the results of the Pilot meet the mutually agreed upon requirements of both the Unions and the JPC as provided in the timetable referred to in paragraph 4 (the "Timetable"), then it is the intent of the parties to discuss the adoption of the GRP Model as the methodology by which performers will be paid, including, if necessary, holding early negotiating sessions exclusively focused on GRP, as further described in paragraph 8.
- b. Terms of Pilot.** The Pilot will be based upon the GRP Model formulas and methodologies proposed by Booz in the Booz Study; provided, however, that the proposed changes to editing, holding fees, and Internet and New Media shall not be implemented for purposes of the Pilot. With these modifications, the parties recognize that the formulas and methodologies proposed by Booz in the Booz Study may have to be modified to maintain the goal of aggregate compensation equality between the CBA and the GRP Model, as modified. In the event that the Consultant believes that further

adjustments to the GRP Model are advisable in order to better ensure that the goals and benchmarks established by the parties in the Timetable are met, such adjustments may be implemented upon agreement of the parties.

- c. **Pilot Schedule.** Subject to agreement with the Consultant, the schedule for the Pilot is as follows:

Exhibit A: Timeline of SAG/AFTRA - JPC GRP Pilot					
Pilot Stage	Pilot Milestones	Start Date	End Date	Stage Length (Weeks)	Cumulative Running Length (Weeks)
Planning	-Define Scope -Determine Budget/Apply for funds -Identify Project Team & Participants -Identify and Select Consultant (RFP Process) -Determine Success Criteria -Develop Detailed Project Schedule -Identify Potential Software Vendors/Data Aggregators	4/15/2009	6/15/2009	9	9
Requirements & Design	-Select Software Vendor (RFP Process) - Develop Union/Industry Requirements - Develop Stakeholder Requirements (Payroll houses, Aggregators, etc)	6/16/2009	7/31/2009	6	15
Develop & Test Software	-Develop Software Specifications -Build Software -Integrate w/ Existing Systems (Payroll houses, Aggregators, etc) -Testing and Verification	8/1/2009	3/31/2010	35	50
Commence Pilot	-Launch Pilot System -Conduct Pilot	4/1/2010	3/31/2011	52	102
Evaluation	-Compile and Analyze Summary Data -Evaluate Results	4/1/2011	6/30/2011	13	115

The parties may mutually extend the Pilot schedule, provided the Consultant is able and agreeable to doing so.

- d. **Pilot Costs.** The parties agree that the costs of the Pilot will be paid with funds secured from the AICF and IACF. The Unions and the JPC agree to jointly recommend approval of such funding to the Trustees of the AICF and IACF, respectively. It is understood that these costs will include, but not necessarily be limited to, fees to the Consultant and other third parties that may be necessary to implement the Pilot.

- e. **Operation of the Pilot.** Throughout the duration of the Pilot, the JPC will, to the best of its ability, ensure that the Consultant has access to data, systems, technology, and information from JPC Authorizers and third parties necessary for the Consultant to evaluate the operation, feasibility, and results of the Pilot. Similarly, the Unions will, to the best of their abilities, ensure that the Consultant has access to all data, systems, technology and information available to the Unions necessary for the Consultant to evaluate the operation, feasibility, and results of the Pilot. Subject to issues of confidentiality or proprietary rights, the Unions and JPC will share the data, systems, technology, and information made available to the Consultant.
- f. **Agreement with Consultant.** The selection of the Consultant and the negotiation of the terms and conditions of the agreement with the Consultant shall be undertaken jointly by the Unions and the JPC. It is agreed, however, that Booz will be considered for the role of consultant. The Unions will have the right to appoint a Union representative to work with the Consultant (the "Union Appointee") and the JPC will have the right to appoint a management representative to work with the Consultant (the "Management Appointee"). Both the Union and Management Appointee will be retained by the Consultant and all fees and expenses associated with such Appointees will be included in the Consultant's compensation.
- g. **Operations During the Pilot.** During the operation of the Pilot, Performers will continue to be paid under the CBA in effect at the time of the Pilot.
- h. **Discussions and Negotiations After Pilot.** Unless one of the parties is unavailable due to conflicting negotiation-related obligations, the parties will meet on or about October 1, 2011, to discuss the results of the Pilot and negotiate over its possible adoption. If any party is unavailable due to negotiation-related obligations, such talks will in any event be scheduled to begin no later than January 3, 2012. The Unions agree to devote no fewer than six weeks for the exclusive purpose of negotiating issues relating to adoption of the Pilot program, after which time full negotiations of the terms of the Commercials Contracts will begin.

22. Internet and New Media Model Study

The JPC and the Unions shall jointly engage an independent consultant to study how best to measure the usage of commercials on the Internet and New Media. The objective of the study shall be to identify a practical structure and a metric or metrics that can serve as the basis of a usage-based compensation system for performers performing in commercials on the Internet and New Media, whether made for initial use on the Internet or New Media or later moved to the Internet or New Media. It is agreed by the parties that assigning a dollar value to exposure shall not be an objective of the study. Nevertheless, the consultant shall consider Union and JPC arguments about the impact of exposure on performers in determining which structure and metric(s) to recommend. The Union and the JPC shall cooperate fully with the consultant by providing data and access to experts and processes, subject to such reasonable measures as may be necessary to safeguard confidential and proprietary information. The JPC and the Unions shall each recommend that the IACF/AICF approve funding for the study. The study shall be completed on or before June 1, 2011 unless one of the parties is unavailable due to circumstances beyond the parties' control, including conflicting negotiation-related obligations, or the deadline is otherwise extended by mutual agreement of the parties.

23. Clarification Regarding Industrial Use Under Section 42 – Theatrical or Industrial Exhibition

Use of commercials in taxicabs, jumbotrons or other media that traditionally have been treated as Industrial use shall continue to be accorded such treatment (as opposed to New Media) regardless of whether such commercials are transmitted in a digital format.

24. Clarification Regarding Extra Performers

Schedule D.IV.17.C.4

Clarify that Extra performers are not entitled to a ½ check when cancelled before 4PM *only* per Section C.1 (a), (b) or (c) in Schedule D. Section IV.17.C.4 below. All other cancellations pursuant to C.1 shall require payment of the ½ check:

“If an extra performer is notified of such cancellation, **per Section C.1. (a), (b), or (c) above,** before 4 P.M. of the work day previous to the work date specified in such call, or is otherwise employed on the same work date by the same production company, at a rate equal to or higher than the rate applicable to such extra performer as specified in such canceled call, he/she shall not be entitled to such ½ check.”

25. Drafting

- a. Add New Media to Records and Reports.
- b. Add “O” to Contractor Reporting Form.

Except as modified herein, all terms and conditions of the 2003 SAG Television Recorded Commercials Contract as amended by the 2006 Extension shall remain unchanged.

SCREEN ACTORS GUILD

BY: _____

DATE: _____

**ANA-AAAA JOINT POLICY COMMITTEE ON
BROADCAST TALENT UNION RELATIONS**

BY: _____

DATE: _____

Exhibit A

CONFIDENTIALITY AGREEMENT

This Confidentiality Agreement (the "Agreement") is entered into by and between _____ ("Company"), on the one hand, and _____ (the "Auditors") and the Screen Actors Guild-Producers Pension and Health Plans (the "Plans") on the other hand, with respect to the Auditors' payroll compliance review of Company's books and records on behalf of the Plans ("Audit") for the period July 1, 2005 through June 30, 2008.

As a condition of Company making its books and records available to the Auditors for the purposes of the Audit, the Auditors and the Plans hereby agree to treat confidentially and limit access to all information contained therein and otherwise furnished by Company in connection with the Audit. The Auditors and the Plans further agree to treat confidentially and limit access as described below, to any and all documents, records, analyses, compilations, studies, reports, and other materials prepared by the Auditors in whole or in part from the information furnished by Company in connection with the Audit or which contain, mention, or reflect any such information.

The Auditors and the Plans agree that such information and materials shall not be disclosed to any party except: (i) to the Auditors and the Plans, and the Screen Actors Guild, their respective directors, officers, agents, employees, and attorneys in their capacities such as, on a need-to-know basis only, solely in connection with the Audit, provided that the foregoing parties shall be bound by the provisions hereof; (ii) to the extent necessary to comply with law or legal process, in which event Company shall receive sufficient advance written notice of such proposed disclosure so as to object and/or request that the information or materials receive confidential treatment, and the Auditors and the Plans shall use reasonable efforts to ensure confidential treatment of the information or materials subject to disclosure; and (iii) in any action by the Plans arising out of the Audit, provided Company is given advance notice by the Plans of their intent to offer such information or materials in such action and the opportunity to object and/or request that the information or materials receive confidential treatment.

The Auditors and the Plans acknowledge that Company may be entitled to injunctive and other equitable relief, in addition to any and all legal remedies, in the event of a breach or threatened breach of this Agreement.

The Auditors and the Plans agree to inform each of its respective employees, agents, or other representatives conducting or otherwise connected with the Audit of the foregoing requirements and to take reasonable steps to obtain their compliance with the terms hereof.

This Agreement shall not be construed as establishing any precedent with respect to any requirement for confidentiality agreements in any future audit. The Plans hereby expressly reserve their position that a confidentiality agreement is not a precondition for access to records under the applicable collective bargaining agreement. Company hereby expressly reserves its position that a confidentiality agreement is a precondition for access to records under the applicable collective bargaining agreement.

IN WITNESS THEREOF, this Confidentiality Agreement has been executed and delivered by the individual parties hereto in their respective names by their duly authorized officers or representatives.

[SIGNATURE LINES]

Exhibit B

In response to your request, the Screen Actors Guild agrees to grant a PSA waiver on any media covered under the SAG Commercials Contract for a one year period of use, subject to performers' consent and the following conditions:

1. Performer(s) must be notified at the time of audition or engagement that SAG has granted a waiver and that the applicable PSA rate allows for unlimited use not to exceed one year beginning not later than 15 working days after the first delivery of the PSA to any covered media or 13 weeks after commencement of the maximum use period, whichever first occurs.
2. All Performer(s) must be compensated at not less than the applicable minimum session fee(s) pursuant to Section 20 of the 2009 SAG Commercials Contract. SAG Pension & Health contributions are payable on the gross compensation paid to the performer(s).
3. All media time must be donated. Should the PSA be utilized on purchased time, full use and reuse fees must be paid to the performer(s) in accordance with the applicable provisions of the SAG Commercials Contract beginning with the first use on purchased media time, subject to Section 30 "Maximum Period of Use of Commercials".
4. No commercial advertising or commercial sponsorship is permitted within the script, or on the landing page of any website referenced in the PSA. Additionally, PSA's may not contain solicitations for donations unless specifically approved by the union.
5. Should Producer wish to utilize the PSA(s) beyond the initial one year use period, Producer shall obtain written consent from the Union and the principal performer(s) for such extended use. Any individual performer shall have the right to negotiate for compensation for such extended use.

Exhibit C

Cable Network Unit Values

Sources: National Cable & Telecommunications Association, SNL Kagan, Multichannel News, & Various Sources 2009

Ct.	Cable Network	Subscribers	2009 Units
1	A&E Network	100,100,000	286
2	ABC Family	99,100,000	283
	Adult Swim (Please see Cartoon Network)	-	-
3	Africa Channel, The	11,600,000	33
4	AMC	96,000,000	274
5	AmericanLife	11,800,000	33
6	America's Store	33,000,000	94
7	Animal Planet	98,400,000	281
8	Anime Network	40,000,000	114
9	Arabic Channel, The	1,350,000	4
10	Arizona's News Channel	630,000	1
11	B Mania	470,000	1
12	Bandamax	1,215,239	3
13	Bay News 9	1,000,000	2
14	BBC America	66,800,000	190
15	BBC World News	3,400,000	9
16	Beauty & Fashion Channel	11,000,000	31
17	BET	90,000,000	257
18	BET Gospel	2,300,000	6
19	BET Hip Hop	400,000	1
20	BET Jazz	34,000,000	97
21	Big Ten Network	43,200,000	123
22	Biography Channel	54,600,000	156
23	Blackbelt TV	8,500,000	24
24	Bloomberg Television	54,400,000	155
25	BlueHighways TV	4,200,000	12
26	BOBVOD (Bollywood On Demand)	6,500,000	18
27	Boomerang	32,300,000	92
28	Boston Kids and Family TV	150,000	1
29	Bravo	93,000,000	265
30	Bravo! Canada (Canada)	6,100,000	17
31	Bridges TV	5,500,000	15
32	Broadway.com Televsion	1,300,000	3
33	California Channel	5,237,617	15
34	Canal 24 Horas	50,000	1
35	Canal Sur	2,400,000	6
36	Caracol TV	1,500,000	4
37	Capital News 9	328,000	1
38	Carolina Sports Entertainment TV	800,000	2
39	Cartoon Network	100,600,000	287

40	Casa Club TV	3,250,659	9
41	CBS: College Sports Network	31,800,000	90
42	Central Florida News 13	760,000	2
43	CentroAmerica TV	1,100,000	3
44	Channel One	6,000,000	17
45	Chicagoland Television News	1,800,000	5
46	Chiller	36,100,000	103
47	Chinese Communication Channel	1,000,000	3
48	Church Channel, The	18,057,995	51
49	Cine Latino	25,000	1
50	Classic Arts Showcase	60,000,000	171
51	CLT (Canadian Learning Television) (Canada)	4,700,000	13
52	CMT (Country Music Television)	91,400,000	261
53	CMT Pure Country	19,400,000	55
54	CN8 - The Comcast Network	9,014,000	25
55	CNBC	100,300,000	286
56	CNBC World	35,600,000	101
57	CNC Columbia	100,000	1
58	CNN	100,000,000	285
59	CNN Airport	58,100,000	166
60	CNN en Espanol	4,100,000	11
61	CNN Headline News	101,000,000	288
62	CNN International North America	4,300,000	12
63	CoLours TV	17,000,000	48
64	Comcast SportsNet Chicago	4,700,000	13
65	Comcast SportsNet Mid Atlantic	4,500,000	12
66	Comcast SportsNet New England	4,100,000	11
67	Comcast SportsNet Philadelphia	3,000,000	8
68	Comcast SportsNet West	2,200,000	6
69	Comedy Central	99,700,000	284
70	County Television Network San Diego	708,700	2
	CourtTV (<i>please see TruTV</i>)	-	-
71	Cox Sports Television	1,700,000	4
72	CRN Networks	24,000,000	68
73	C-SPAN	98,600,000	281
74	C-SPAN 2	82,100,000	234
75	C-SPAN 3	13,000,000	37
76	CSS - Comcast/Charter Sports Network Southeast	3,900,000	11
77	CSTV - College Sports Television	50,000,000	142
78	Current TV	57,500,000	164
79	De Pelicula	1,215,239	3
80	De Pelicula Clasico	750,000	2
81	Destiny Channel	15,000,000	42
82	Discovery Channel	101,500,000	290
83	Discovery en Espanol	8,400,000	24
84	Discovery Familia	1,200,000	3
85	Discovery HD Theater	2,000,000	6
86	Discovery Health Channel	79,100,000	226

	Discovery Home Channel (<i>Please see Planet Green</i>)	-	-
87	Discovery Kids Channel	69,600,000	198
	Discovery Times Channel (<i>Please see Investigation Discovery</i>)	-	-
88	Disney Channel	100,500,000	287
89	Disney XD	79,600,000	227
90	DIY Network	57,300,000	163
91	DMX Music	10,200,000	29
92	Docu TVE	50,000	1
93	DoD	5,000,000	14
94	Dream Network, The	10,000,000	28
95	E! Entertainment Television	97,300,000	278
96	Ecumenical TV	502,100	1
97	Ecuavisa	1,300,000	3
98	Empire Sports Network	1,600,000	4
99	Enlace	513,487	1
100	ESPN	100,700,000	287
101	ESPN 2	99,400,000	284
102	ESPN Classic	67,200,000	192
103	ESPN Deportes	4,400,000	12
104	ESPNews	70,900,000	202
105	ESPNU	26,300,000	75
106	EWTN	51,900,000	148
107	Familyland Television Network	29,000,000	82
108	FamilyNet	16,000,000	45
109	Fine Living	60,300,000	172
110	FitTV	50,900,000	145
111	FLIX	37,800,000	108
112	Florida News Channel	760,000	2
113	Food Network	101,000,000	288
114	Fox Business Network	55,200,000	157
115	Fox College Sports	41,600,000	118
116	Fox Movie Channel	41,100,000	117
117	Fox News Channel	98,400,000	281
118	Fox Reality	45,800,000	130
119	Fox Soccer Channel	35,700,000	102
120	Fox Sports en Espanol	11,300,000	32
121	Free Speech TV	25,000,000	71
122	FSN - Fox Sports Net	91,400,000	261
123	FSN Arizona	2,800,000	8
124	FSN Bay Area	3,600,000	10
125	FSN Chicago	2,800,000	8
126	FSN Detroit	2,230,000	6
127	FSN Florida	5,000,000	14
128	FSN Midwest	4,300,000	12
129	FSN New England	3,700,000	10
130	FSN New York	6,200,000	17
131	FSN North	3,000,000	8
132	FSN Northwest	3,400,000	9

133	FSN Ohio	4,700,000	13
134	FSN Pittsburgh	2,800,000	8
135	FSN Rocky Mountain	2,812,406	8
136	FSN South	10,600,000	30
137	FSN SouthWest	8,100,000	23
138	FSN West	5,800,000	16
139	FSN West 2	4,800,000	13
140	Fuel TV	42,400,000	121
141	Fuse	66,800,000	190
142	FX	98,200,000	280
143	G4	67,800,000	193
144	Galavision	56,000,000	160
145	Gol TV	13,600,000	38
146	Golden Eagle Broadcasting	250,000	1
147	Golf Channel, The	84,800,000	242
148	Gospel Music Channel	46,700,000	133
149	Great American Country	61,100,000	174
150	GSN	71,000,000	202
151	Hallmark Channel, The	88,400,000	252
152	Hallmark Movie Channel	25,100,000	71
153	Havoc Television	30,000,000	85
154	HD Theater	28,300,000	80
155	HDNet	20,800,000	59
156	HDNet Movies	14,500,000	41
157	Healthy Living Channel	11,000,000	31
158	here!	40,000,000	114
159	History Channel	100,300,000	286
160	History en Espanol	4,800,000	13
161	History International	56,900,000	162
162	Hollywood.com Television	19,000,000	54
163	Home & Garden Television (HGTV)	100,900,000	288
164	Home Shopping Network	88,900,000	254
165	Horse Racing TV	16,000,000	45
166	HTV	2,300,000	6
167	iaTV	8,900,000	25
168	Ion Life	3,000,000	9
169	iN Demand	28,000,000	80
170	Independent Film Channel – IFC	52,400,000	149
	INHD (<i>Please see Mojo</i>)	-	-
171	Insight Interactive	400,000	1
172	Inspiration Network (INSP)	59,400,000	169
173	Inspirational Life Television (I-LifeTV)	10,500,000	30
174	Investigation Discovery	59,400,000	169
175	JCTV	904,759	2
176	Jewelry Television	11,794,565	33
177	Kids Sports News Network	50,000,000	142
178	La Familia Cosmovision	1,000,000	2
179	La Familia Network	300,000	1

180	LATINOAMERICA TV	1,400,000	4
181	Liberty Channel	622,500	1
182	Lifetime Movie Network	75,500,000	215
183	Lifetime Real Women	15,300,000	43
184	Lifetime Television	100,900,000	288
185	Logo	40,300,000	115
186	Madison Square Garden Network (MSG)	10,400,000	29
187	Mas Musica TeVe	12,500,000	35
188	MavTV	10,500,000	30
189	MBC	24,400,000	69
190	MEXICANAL	1,600,000	4
191	MGM HD	7,200,000	20
192	Michigan Government Television	1,600,000	4
193	Military Channel, The	59,400,000	169
194	Military History Channel	12,700,000	36
195	MLB Network	55,200,000	157
196	MOJO	6,000,000	17
197	Moody Broadcasting Network	33,064	1
198	Movieola	1,035,000	2
199	MOVIEplex	3,800,000	10
200	MSG Plus	9,500,000	27
201	MSNBC	95,900,000	274
202	MTV 2	79,600,000	227
203	MTV Tres	19,500,000	55
204	MTV Hits	32,300,000	92
205	MTV Jams	23,900,000	68
206	MTV Latin America	8,000,000	23
207	MTV Music Television	100,400,000	286
208	MTVU (MTV University)	7,500,000	21
209	Much More Music (Canada)	6,600,000	18
210	Much Music Network (Canada)	7,500,000	21
211	mun2	27,100,000	77
212	Music Choice	39,000,000	111
213	MysteryTV	1,400,000	4
214	NANO TV	7,000,000	20
215	National Geographic Channel	71,700,000	204
216	National Greek Television	500,000	1
217	National Jewish Television	10,000,000	28
218	NBA TV	16,000,000	45
219	New England Cable News	3,660,324	10
220	New England Sports Network	4,000,000	11
221	New York 1 News	2,200,000	6
222	News 10 Now	560,000	1
223	News 12 Bronx	250,000	1
224	News 12 Connecticut	250,000	1
225	News 12 Long Island	790,000	2
226	News 12 New Jersey	1,700,000	4
227	News 12 Westchester	250,000	1

228	News 14 Carolina	490,000	1
229	News 8 Austin	400,000	1
230	News Channel 8	1,339,500	3
231	News Now 53	430,000	1
232	NFL Network	42,400,000	121
233	NHL Network	12,600,000	36
234	Nick at Nite	101,300,000	289
235	Nick2	39,000,000	111
236	Nickelodeon	101,300,000	289
237	Nickelodeon Games & Sports	26,000,000	74
238	Nicktoons	57,700,000	164
239	Noggin/ the N	72,200,000	206
240	Northwest Cable News	2,100,000	6
241	NTV America	9,598	1
242	Oasis TV On Demand	360,000	1
243	Ohio News Network	1,500,000	4
244	OMNI	6,300,000	18
245	Outdoor Life Network	61,000,000	174
246	Ovation	35,600,000	101
247	Oxygen	76,500,000	218
248	Palladia	28,500,000	81
249	PBS Kids Sprout	50,900,000	145
250	Pennsylvania Cable Network	3,300,000	9
251	Pittsburgh Cable News Channel	850,000	2
252	Planet Green	57,900,000	165
253	Product Information Network	35,400,000	101
254	Prise 2	200,000	1
255	Puma TV	2,270,000	6
256	QUBO	8,000,000	22
257	QVC	93,000,000	265
258	ReelzChannel	48,800,000	139
259	Research Channel	9,000,000	26
260	Resorts and Residence TV	11,000,000	31
261	Retirement Living TV	15,100,000	43
262	RFD-TV	39,000,000	111
263	Rhode Island News Channel	200,000	1
264	Ritmoson Latino	1,215,239	3
265	Sci Fi Channel	98,000,000	280
266	Science Channel, The	61,200,000	174
267	Shop at Home Network	54,000,000	154
268	Shop NBC	56,000,000	160
269	Short TV	2,500,000	7
270	Showcase Diva	2,200,000	6
271	Si TV	35,700,000	102
272	Six News Now	200,000	1
273	Skyview World Media	100,000	1
274	Sleuth	52,100,000	148
275	Smithsonian Channel HD	11,000,000	31

276	SoapNet	74,000,000	211
277	Sorpresa	1,500,000	4
278	Space: The Imagination Channel (Canada)	5,400,000	15
279	Speed Channel	74,600,000	213
280	Spike TV	100,800,000	288
281	Sportsman Channel, The	17,800,000	50
282	Star! (Canada)	4,700,000	13
283	Style Network, The	62,900,000	179
284	Sun Sports	6,500,000	18
285	Sun TV	700,000	2
286	Sundance Channel	32,600,000	93
287	Sur Mexico	1,400,000	4
288	Sur Peru	1,400,000	4
289	TBS	101,900,000	291
290	Telefe International	1,500,000	4
291	Telehit	1,215,239	3
292	Telequebec	4,300,000	12
293	Tempo	1,700,000	4
294	Tennis Channel, The	26,300,000	75
295	Texas Cable News	1,500,000	4
296	TLC – The Learning Channel	100,900,000	288
297	TNT	101,100,000	288
	Toon Disney (<i>Re-branded as Disney XD</i>)	-	-
298	TR!O	8,000,000	22
299	Travel Channel, The	99,100,000	283
300	Trinity Broadcasting Network	100,564,000	287
301	Turner Classic Movies	80,100,000	228
302	Turner South	7,200,000	20
303	truTV	98,300,000	280
304	TV Chile	2,300,000	6
305	TV Columbia	1,800,000	5
306	TV Guide Channel	85,300,000	243
307	TV Guide Interactive	13,700,000	39
308	TV Land	98,400,000	281
309	TV One	51,700,000	147
310	TVG Network	85,300,000	243
311	TVTropolis	6,000,000	17
312	TV Venezuela	1,400,000	4
313	TVE Internacional	2,900,000	8
314	TyC Sports International Channel	1,100,000	3
315	Universal HD	18,700,000	53
316	Universal Sports Network	30,000,000	85
317	USA Network	101,200,000	289
318	VERSUS (Vs.) (Formerly Outdoor Life Network	75,600,000	216
319	VH1	100,000,000	285
320	VH1 Classic	58,700,000	167
	VH1 Country (<i>Please see CMT Pure Country</i>)	-	-
321	VH1 Soul	31,300,000	89

322	VHUno	10,400,000	29
323	Video Rola	200,000	1
324	W Network (Canada)	6,000,000	17
325	WAPA-America	2,500,000	7
326	Water Channel	43,300,000	123
327	WE - Women's Entertainment	76,500,000	218
328	Weather Channel, The	101,700,000	290
329	Weatherscan	23,000,000	65
330	WealthTV	14,000,000	40
331	WGN	77,100,000	220
332	Wheels TV	7,000,000	20
333	Wine Network, Inc.	8,000,000	22
334	Wisdom Television	6,800,000	19
335	Word Network, The	35,000,000	100
336	World Fishing Network	21,000,000	60
337	Worship Network, The	66,000,000	188
338	YES	1,500,000	4
339	Yesterday USA	3,800,000	10
340	Zee TV USA	350,000	1

Exhibit D

Wild Spot Unit Rating		
Source: Nielsen Media Research		
	Television Market Areas	Unit Weight
1	Atlanta	6
2	Baltimore	3
3	Birmingham (Ann, Tusc)	2
4	Boston	6
5	Charlotte	3
6	Cincinnati	2
7	Cleveland	4
8	Columbus, OH	2
9	Dallas-Forth Worth	7
10	Denver	4
11	Detroit	5
12	Grand Rapids-Kalamazoo-Battle Creek	2
13	Greenville-Spartanburg-Asheville-Anderson, NC	2
14	Harrisburg-Lancaster-Lebanon-York	2
15	Hartford-New Haven	2
16	Houston	6
17	Indianapolis	3
18	Kansas City	2
19	Las Vegas	2
20	Mexico/Mexico City	43
21	Miami	4
22	Milwaukee	2
23	Minneapolis - St. Paul	4
24	Montreal	4
25	Nashville	2
26	Norfolk-Portsmouth-Newport News	2
27	Orlando-Daytona Beach	4
28	Philadelphia	8
29	Phoenix	5
30	Pittsburgh	3
31	Portland, OR	3
32	Puerto Rico	3
33	Raleigh-Durham	3
34	Sacramento-Stockton	3
35	St. Louis	3
36	San Antonio	2
37	Salt Lake City	2
38	San Diego	3
39	San Francisco	7
40	Seattle-Tacoma	5
41	Tampa-St. Petersburg	5

42	Toronto	7
43	Vancouver, B.C.	3
44	Washington, D.C.	6
45	West Palm Beach - Ft. Pierce	2